

SUMMARY OF REGULAR POLICY CHANGES FISCAL YEAR 2006-07

| POLICY CHG. NO. | CATEGORY & TITLE | TOTAL FUNDS | FEDERAL FUNDS | STATE FUNDS |
|---------------------|--|-------------------------|-------------------------|-------------------------|
| ELIGIBILITY | | | | |
| 1 | FAMILY PLANNING INITIATIVE | \$457,301,000 | \$308,344,400 | \$148,956,600 |
| 2 | BREAST AND CERVICAL CANCER TREATMENT | \$83,895,000 | \$48,891,050 | \$35,003,950 |
| 3 | CHDP GATEWAY - PREENROLLMENT | \$17,303,000 | \$11,246,950 | \$6,056,050 |
| 4 | BRIDGE TO HFP | \$5,217,000 | \$3,391,050 | \$1,825,950 |
| 5 | REDETERMINATION FORM SIMPLIFICATION | \$37,387,520 | \$18,693,760 | \$18,693,760 |
| 6 | BCCTP RETROACTIVE COVERAGE | \$744,260 | \$483,770 | \$260,490 |
| 7 | MEDI-CAL TO HF ACCELERATED ENROLLMENT | \$5,667,530 | \$3,683,900 | \$1,983,640 |
| 8 | RESOURCE DISREGARD - % PROGRAM CHILDREN | \$0 | \$15,046,950 | -\$15,046,950 |
| 9 | REFUGEES | \$0 | \$2,712,000 | -\$2,712,000 |
| 10 | NEW QUALIFIED ALIENS | \$0 | -\$170,898,500 | \$170,898,500 |
| 11 | ACCELERATED ENROLLMENT-SCHIP TITLE XXI | \$0 | \$0 | \$0 |
| 142 | ELIG. FOR CHILDREN IN MONTH PRIOR TO SSI/SSP GRA | \$1,240,540 | \$620,270 | \$620,270 |
| 143 | HURRICANE KATRINA SECTION 1115 WAIVER | \$0 | \$2,318,000 | -\$2,318,000 |
| 148 | MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS | \$1,110,790 | \$722,010 | \$388,770 |
| 149 | SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL | \$5,000,000 | \$2,500,000 | \$2,500,000 |
| | ELIGIBILITY SUBTOTAL | \$614,866,630 | \$247,755,600 | \$367,111,030 |
| BENEFITS | | | | |
| 13 | ADULT DAY HEALTH CARE - CDA | \$415,187,730 | \$207,593,870 | \$207,593,870 |
| 14 | LOCAL EDUCATION AGENCY (LEA) PROVIDERS | \$153,000,000 | \$153,000,000 | \$0 |
| 15 | MEDI-CAL CONTINUATION OF PART D EXCLUDED | \$193,888,580 | \$96,944,290 | \$96,944,290 |
| 16 | MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA | \$44,515,000 | \$22,257,500 | \$22,257,500 |
| 17 | MEDICARE PART B DEDUCTIBLE INCREASE | \$28,475,570 | \$14,237,790 | \$14,237,790 |
| 18 | HIV/AIDS PHARMACY PILOT PROGRAM | \$1,276,370 | \$638,180 | \$638,180 |
| 19 | CONLAN V. BONTA | \$27,971,580 | \$13,985,790 | \$13,985,790 |
| 22 | CDSS SHARE OF COST PAYMENT FOR IHSS | \$0 | -\$5,418,500 | \$5,418,500 |
| 23 | SCHIP FUNDING FOR PRENATAL CARE | \$0 | \$94,144,700 | -\$94,144,700 |
| 24 | \$1800 DENTAL CAP FOR ADULTS | -\$3,126,000 | -\$1,563,000 | -\$1,563,000 |
| 25 | ADULT DAY HEALTH CARE REFORMS | -\$18,957,000 | -\$9,478,500 | -\$9,478,500 |
| 26 | FLUORIDE VARNISH | \$3,951,220 | \$1,975,610 | \$1,975,610 |
| 28 | MMA MEDICARE DRUG BENEFIT | -\$3,371,181,030 | -\$1,685,590,510 | -\$1,685,590,510 |
| 151 | DENTAL HEALTH FOR CHILDREN | \$1,500,000 | \$750,000 | \$750,000 |
| | BENEFITS SUBTOTAL | -\$2,523,497,970 | -\$1,096,522,780 | -\$1,426,975,180 |
| MANAGED CARE | | | | |
| 32 | QUALITY IMPROVEMENT ASSESSMENT FEE | \$2,736,000 | \$1,368,000 | \$1,368,000 |
| 36 | CAL OPTIMA 3% RATE INCREASE | \$22,402,000 | \$11,179,500 | \$11,222,500 |
| 38 | MANAGED CARE INTERGOVERNMENTAL TRANSFER | \$8,000,000 | \$4,000,000 | \$4,000,000 |
| 39 | STANISLAUS 2-PLAN MODEL RECONVERSION | -\$14,135,000 | -\$7,030,000 | -\$7,105,000 |
| 40 | RISK PAYMENTS FOR MANAGED CARE PLANS | \$6,300,000 | \$3,150,000 | \$3,150,000 |
| 43 | SAN DIEGO COMMUNITY HEALTH GROUP AUGMENTATIC | \$3,000,000 | \$1,500,000 | \$1,500,000 |
| 44 | PCCM AIDS HEALTHCARE FDN EXPANSION | \$1,616,000 | \$808,000 | \$808,000 |
| 46 | FFS COSTS FOR MANAGED CARE ENROLLEES | \$0 | \$0 | \$0 |
| 47 | MMA -- MANAGED CARE CAPITATION SAVINGS | -\$225,988,000 | -\$112,994,000 | -\$112,994,000 |
| 146 | RESTORATION OF PROVIDER PAYMENT DECREASE | \$65,415,000 | \$32,707,500 | \$32,707,500 |

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|---------------------|--|----------------------|----------------------|----------------------|
| MANAGED CARE | | | | |
| 147 | TWO-PLAN MODEL DEFAULT ALGORITHM | \$1,310,000 | \$655,000 | \$655,000 |
| 150 | CAPITATION RATE INCREASES | \$61,175,000 | \$30,587,500 | \$30,587,500 |
| | MANAGED CARE SUBTOTAL | -\$68,169,000 | -\$34,068,500 | -\$34,100,500 |
| OTHER | | | | |
| 51 | HOSP FINANCING - DPH AND NDPH DSH PMT | \$1,454,133,000 | \$862,378,500 | \$591,754,500 |
| 52 | SNF RATE CHANGES AND QA FEE | \$763,020,430 | \$381,510,220 | \$381,510,220 |
| 55 | HOSP FINANCING-DPH INTERIM PAYMENT | \$767,703,000 | \$767,703,000 | \$0 |
| 56 | HOSP FINANCING - SAFETY NET CARE POOL | \$633,169,000 | \$633,169,000 | \$0 |
| 58 | HOSP FINANCING - PRIVATE DSH REPLACEMENT | \$542,546,000 | \$271,273,000 | \$271,273,000 |
| 61 | HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT | \$246,742,000 | \$123,371,000 | \$123,371,000 |
| 62 | CAPITAL PROJECT DEBT REIMBURSEMENT | \$101,012,000 | \$50,506,000 | \$50,506,000 |
| 64 | HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT | \$130,000,000 | \$130,000,000 | \$0 |
| 65 | LTC RATE ADJUSTMENT | \$151,263,390 | \$75,631,700 | \$75,631,700 |
| 66 | HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN | \$96,763,000 | \$96,763,000 | \$0 |
| 70 | FFP FOR LOCAL TRAUMA CENTERS | \$24,000,000 | \$12,000,000 | \$12,000,000 |
| 72 | CERTIFICATION PAYMENTS FOR DP-NFS | \$36,000,000 | \$36,000,000 | \$0 |
| 73 | FQHC RATE ADJUSTMENTS | \$1,865,630 | \$932,820 | \$932,810 |
| 74 | HOSP FINANCING - DISTRESSED HOSPITAL FUND | \$53,680,000 | \$26,840,000 | \$26,840,000 |
| 78 | HOSPICE RATE INCREASES | \$14,473,270 | \$7,236,640 | \$7,236,640 |
| 79 | ANTI-FRAUD BIC CLAIMS REPROCESSING | \$9,808,000 | \$4,904,000 | \$4,904,000 |
| 80 | ANNUAL MEI INCREASE FOR FQHCS/RHCS | \$26,068,470 | \$13,034,230 | \$13,034,230 |
| 81 | HEALTHY FAMILIES - CDMH | \$16,998,000 | \$16,998,000 | \$0 |
| 83 | ORTHOPAEDIC HOSPITAL - LAB SERVICES | \$11,133,760 | \$5,566,880 | \$5,566,880 |
| 84 | NON-CONTRACT HOSP. 10% INTERIM RATE RED. | \$42,523,000 | \$21,261,500 | \$21,261,500 |
| 85 | DSH OUTPATIENT PAYMENT METHOD CHANGE | \$10,000,000 | \$5,000,000 | \$5,000,000 |
| 86 | MINOR CONSENT SETTLEMENT | \$9,467,000 | \$0 | \$9,467,000 |
| 89 | SRH OUTPATIENT PAYMENT METHOD CHANGE | \$8,000,000 | \$4,000,000 | \$4,000,000 |
| 90 | NURSE-TO-PATIENT RATIOS FOR HOSPITALS | \$14,682,000 | \$7,341,000 | \$7,341,000 |
| 92 | HOSP FINANCING - NDPH SUPPLEMENTAL PMT | \$3,818,000 | \$1,909,000 | \$1,909,000 |
| 93 | WEEKLY FORMULARY PRICING UPDATE | \$629,850 | \$314,930 | \$314,930 |
| 96 | TWO-PLAN MODEL NOTICES OF DISPUTE | \$1,000,000 | \$0 | \$1,000,000 |
| 97 | OUT-OF-STATE HOSPITAL JUDGMENT | \$266,730 | \$133,360 | \$133,360 |
| 100 | HOSP FINANCING-MIA LTC | \$0 | \$24,031,000 | -\$24,031,000 |
| 101 | HOSP FINANCING - BCCTP | \$0 | \$692,310 | -\$692,310 |
| 102 | FAMILY PACT STERILIZATION POLICY | \$0 | \$2,000,000 | -\$2,000,000 |
| 103 | CIGARETTE AND TOBACCO SURTAX FUNDS | \$0 | \$0 | \$0 |
| 104 | NON FFP DRUGS | \$0 | -\$536,000 | \$536,000 |
| 105 | INDIAN HEALTH SERVICES | \$0 | \$5,511,000 | -\$5,511,000 |
| 106 | STATE-ONLY IMD ANCILLARY SERVICES | \$0 | -\$11,900,000 | \$11,900,000 |
| 108 | MEDICAL SUPPORT ENHANCEMENTS | -\$966,960 | -\$483,480 | -\$483,480 |
| 109 | ANTI-FRAUD EXPANSION FOR FY 2006-07 | -\$52,414,270 | -\$26,207,140 | -\$26,207,140 |
| 111 | ENTERAL NUTRITION PRODUCTS | -\$843,560 | -\$421,780 | -\$421,780 |
| 113 | INPATIENT PSYCHIATRIC CARE SAVINGS | -\$1,765,690 | \$0 | -\$1,765,690 |

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|----------------------------|---|------------------------|------------------------|-----------------------|
| | OTHER | | | |
| 114 | MEDICAL SUPPLY CONTRACTING | -\$5,675,190 | -\$2,837,590 | -\$2,837,590 |
| 116 | EDS COST CONTAINMENT PROJECTS | -\$2,723,960 | -\$1,421,310 | -\$1,302,650 |
| 117 | NON-CONTRACT HOSPITAL AUDITS | -\$3,117,000 | -\$1,558,500 | -\$1,558,500 |
| 118 | AGED DRUG REBATE RESOLUTION | -\$15,000,000 | -\$7,500,000 | -\$7,500,000 |
| 121 | NEW RECOVERY ACTIVITIES | -\$113,146,760 | -\$56,573,380 | -\$56,573,380 |
| 122 | NEW THERAPEUTIC CATEGORY REVIEWS/REBATES | -\$23,599,420 | -\$11,799,710 | -\$11,799,710 |
| 124 | 5% PROVIDER PAYMENT DECREASE - AB 1735 | -\$57,976,840 | -\$30,564,230 | -\$27,412,610 |
| 125 | ANTI-FRAUD EXPANSION FOR FY 2005-06 | -\$100,274,240 | -\$50,137,120 | -\$50,137,120 |
| 126 | FAMILY PACT DRUG REBATES | -\$18,134,000 | -\$12,319,200 | -\$5,814,800 |
| 128 | HOSP FINANCING - INPATIENT BASE REDUCTION | -\$813,634,000 | -\$406,817,000 | -\$406,817,000 |
| 129 | STATE SUPPLEMENTAL DRUG REBATES | -\$341,651,000 | -\$171,357,100 | -\$170,293,900 |
| 130 | FEDERAL DRUG REBATE PROGRAM | -\$768,172,000 | -\$385,281,200 | -\$382,890,800 |
| 131 | ESTATE RECOVERY REGULATIONS | \$701,000 | \$350,500 | \$350,500 |
| 136 | NON-INSTITUTIONAL PROVIDER OVERPAYMENTS | \$0 | -\$36,000,000 | \$36,000,000 |
| 139 | 5% PAYMENT DECREASE RESCISSION - SB 912 | \$64,147,000 | \$33,822,000 | \$30,325,000 |
| 141 | HOSP FINANCING - CCS AND GHPP | \$72,453,000 | \$72,453,000 | \$0 |
| 144 | HOSP FINANCING - DPH RATE RECONCILIATION | -\$65,232,000 | \$0 | -\$65,232,000 |
| | OTHER SUBTOTAL | \$2,923,739,660 | \$2,480,922,830 | \$442,816,830 |
| | GRAND TOTAL | \$946,939,320 | \$1,598,087,160 | -\$651,147,830 |